EADS Snapshot on

Women, Business, and the Law

No. 99 October 2015

Getting to Equal

The World Bank's *Women, Business, and the Law* 2016 Report, referred as the report, measures legal restrictions on female employment and entrepreneurship by identifying gender-based legal differences. The indicators seek to capture laws both directly differentiating between men and women as well as indirectly affecting a woman's ability to earn an income.

Key findings from the report suggest that legal gender differences are ubiquitous as 155 of the 173 economies covered have at least one law impeding women's economic opportunities. Additionally in 18 economies, husbands can legally prevent their wives from working and, over the past two years, 65 economies implemented 94 reforms increasing women's economic opportunities.

Data for the 2016 report were collected over a two-year period ending in April 2015. The report uses the term economy as not all data relate to countries; this snapshot follows that convention. This snapshot focuses on economies that received at least $2 million in USAID assistance in fiscal year 2014 and are not considered high-income by the World Bank using 2014 GNI per capita. Therefore, it assesses 93 economies.

What's New?

This edition covers 173 economies with 30 new additional economies included this year. These are separated by region in Table 1.

Table 1:

Region	Number of Economies
Afghanistan and Pakistan	1 (Afghanistan)
Asia	6 (Bhutan, Myanmar, and others)
Europe and Eurasia	2 (Luxembourg, Malta)
Latin America and the Caribbean	12 (Belize, The Bahamas, and others)
Middle East	3 (Iraq, Qatar, Bahrain)
Sub-Saharan Africa	6 (South Sudan, Swaziland, and others)

This year's edition has also been expanded to include new indicators. *Protecting Women from Violence* now features the legal age of marriage of boys and girls as well as protection orders for victims of domestic violence. Protection orders are among the most effective remedies available to victims of violence as they generally allow for removal of the perpetrator from the common home and prohibit contact with the victim. *Providing Incentives to Work* has been expanded to include care leave for sick relatives as women must often balance employment with care responsibilities for children, sick relatives, and the elderly. Lastly, *Building Credit* now assesses legislation on issues such as nondiscrimination in access to credit based on marital status and/or gender. These new indicators allow for a more comprehensive understanding of the legal limitations impeding female entrepreneurship, employment, and advancement by illuminating legislative and economic barriers. Most importantly, promoting women's talent in the labor force and reducing gender-based legal constraints encourages women to select opportunities that are most advantageous for them, their families, and their communities.

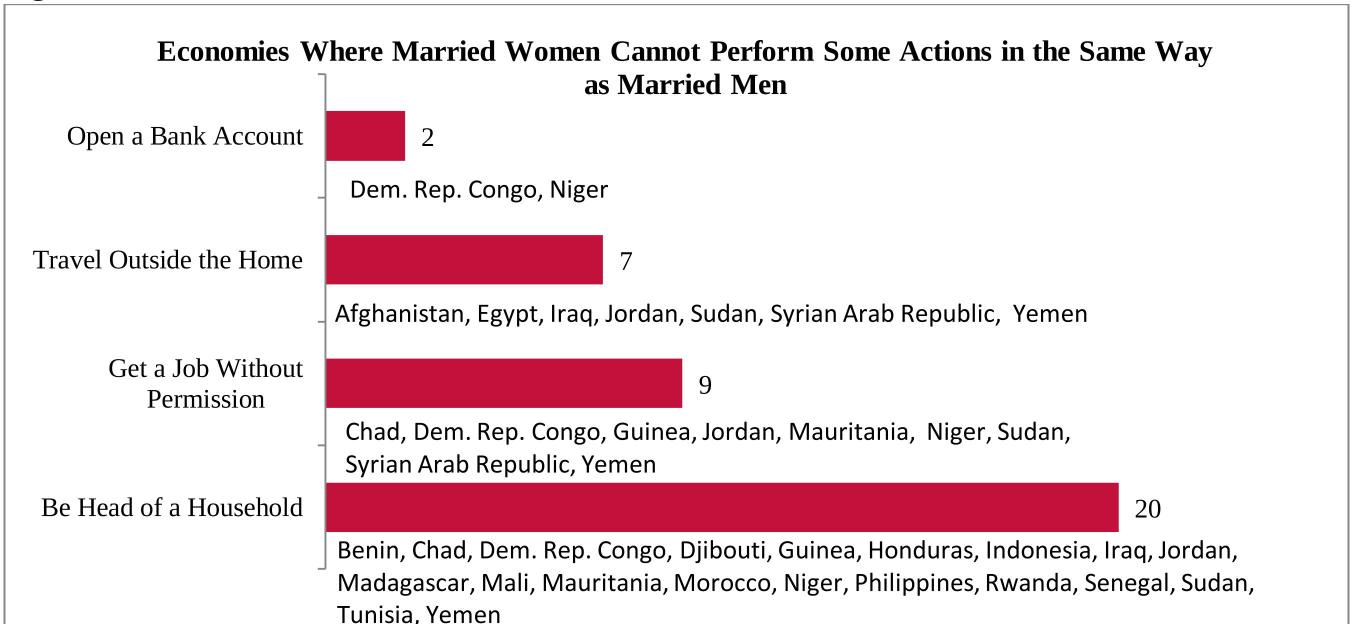
Accessing Institutions

The *Accessing Institutions* indicators mainly examine a woman's legal ability to interact with public authorities and the private sector. It also explores female quotas in governmental bodies and elections as well as a woman's ability to confer nationality to her children or spouse. Many laws remain that specifically restrict women's actions, independence, and freedoms. The report concluded that more limitations apply to married than unmarried women. According to Article 1 of the Personal Status Law of the Arab Republic of Egypt, a married woman may leave the house only for reasons authorized by law or custom. Otherwise, she must receive her husband's permission or she will lose her right to financial support. Thus, married women are unable to 'travel outside the home' in the same way as married men.

The report states that the implications of such laws can be detrimental for a country and its economy as women may postpone marriage and child bearing in order to preserve their independence. In economies where husbands can prohibit their wives from working, women are less likely to have formal bank accounts, savings, or credit. In Egypt, an unmarried woman may travel outside her home, obtain a national ID card, and apply for a passport in the same way as an unmarried man. However, a married woman incurs more restrictions performing these actions than a married man.

Figure 1 visualizes some of the actions that married women are unable to perform in the same capacity as married men. It highlights four out of the eleven actions assessed by The World Bank's *Women, Business, and the Law* 2016 Report.

Figure 1:



Source: World Bank *Women, Business, and the Law* 2016 Report

Protecting Women from Violence

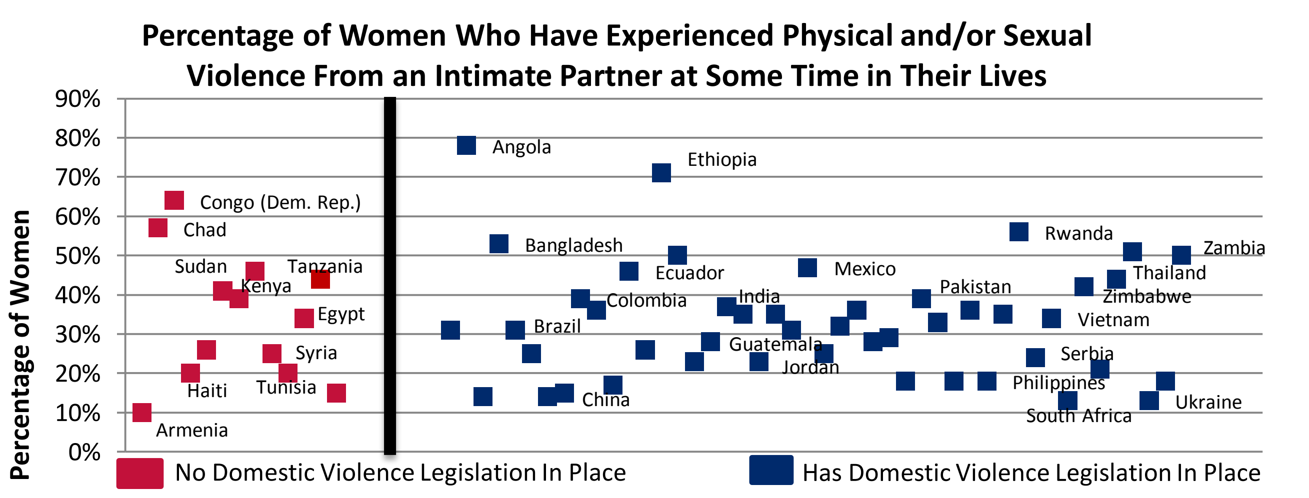
The *Protecting Women from Violence* indicators examine legislation on domestic violence against women as well as the existence and scope of laws on sexual harassment. The data expand from the presence of domestic violence legislation, to include the legal age of marriage for girls and boys, and whether a husband is exempt from criminal penalties for rape (marital rape exemption).

Based on the report, domestic violence and harassment are ubiquitous affecting women and girls of all ages and spanning all economies and income levels. As such, domestic violence legislation varies greatly in scope and applicability across economies. For example, The World Bank concluded that 46 out of the 173 total economies surveyed have not yet enacted laws to address domestic violence.

Focusing on USAID assisted economies, 13 out of 59 economies with data that receive at least $2 million, have not yet enacted laws to address domestic violence. Figure 2 examines the presence of domestic violence legislation against the percentage of women who have experienced physical and/or sexual violence from an intimate partner at some time in their lives. The latter indicator is reported by the Organization for Economic Co-operation and Development's (OECD) Social Institutions and Gender Index (2014), which is a cross-country measure of discrimination against women in social institutions (formal and informal laws, social norms, and practices) throughout 160 economies. The OECD measure of intimate partner violence may be limited by a lack of reporting by women or that the presence of new legislation encouraging women to come forward could raise the number of reported physical and/or sexual violence cases.

Looking at Figure 2, Angola and Ethiopia are economies of concern as they currently have – even with domestic violence legislation in place – the highest percentages of women experiencing physical and/or sexual violence at 78 percent and 71 percent respectively. They are followed by Rwanda and Bangladesh with 56 percent and 53 percent respectively. The Democratic Republic of the Congo (64 percent) and Chad (57 percent) also report high percentages of women experiencing physical and/or sexual violence, but they have no domestic violence legislation in place to combat the incidences. China (15 percent), South Africa (13 percent), and Ukraine (13 percent) enacted domestic violence legislation and display low percentages of women experiencing physical and/or sexual violence. Similarly, Armenia (10 percent), Haiti (20 percent), and Tunisia (20 percent) report low percentages of female physical and/or sexual violence victims even though they have not implemented domestic violence legislation.

Figure 2:



Source: World Bank *Women, Business, and the Law* 2016 Report; Social Institutions and Gender Index 2014

Building Credit

The Building Credit indicators identify the minimum loan amount required to borrow and examine bureaus and registries that collect credit information from microfinance institutions, retailers and utility companies. The report expanded this section to include legislation on nondiscrimination in access to credit on the basis of gender and marital status.

Many women struggle to build a formal credit history. Institutions documenting loans above a specific threshold may exclude small borrowers, who are more likely to be female entrepreneurs. Additionally, women are the primary borrowers at microfinance institutions. Therefore, if bureaus and credit registries omit recordkeeping loans from microfinance institutions, borrowers with good repayment histories cannot utilize their credit history for future loans. These limitations can significantly influence a woman's ability to build credit.

The World Bank's *Global Financial Inclusion Index* is one of the most comprehensive databases on financial inclusion and accessibility. It includes data on how individuals save, borrow, manage risk, and make payments. The data were collected through a survey of 150,000 people in more than 140 economies. Table 2 uses the indicators 'Account at a Financial Institution Female (percent 15+)' and 'Account at a Financial Institution Male (percent 15+)' from the *Global Financial Inclusion Index* and compares them to the *Women, Business, and the Law* indicators on 'Gender and Marital Status Discrimination Laws in Access to Credit.'

As such, Table 2 highlights the top three economies per region with the highest percentage of female account holders at formal institutions. The law in these economies allows for gender and marital status discrimination in access to credit. At least 70 percent of female respondents reported having an account at financial institutions in Serbia, Belarus, Sri Lanka, China, Thailand, and Jamaica. However, these economies are the exceptions. Among economies where the law allows for gender and marital discrimination in access to credit, only 15 out of the 67 economies (or 22 percent), which received USAID assistance in 2013, reported more than 50 percent of female respondents having an account at a financial institution. This suggests that discriminatory practices could be preventing women from opening accounts at financial institutions, which, in turn, limits a woman's job opportunities if the employer pays electronically and dissuades investment opportunities due to limited access to credit.

Table 2:

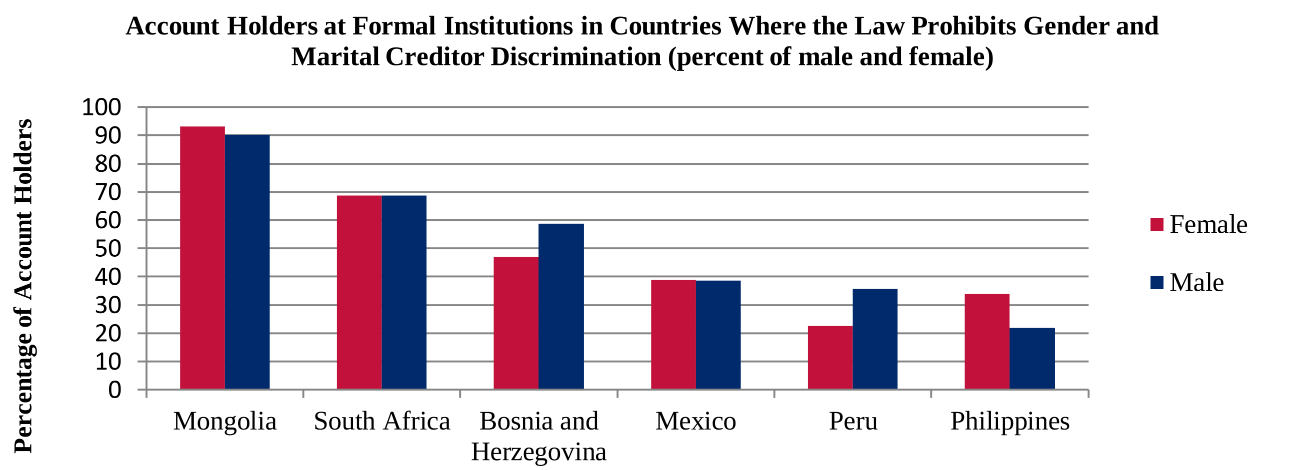
Top 3 Economies from Each Region with the Highest Percentage of Female Account Holders at Financial Institutions in Economies Where the Law Allows for Gender and Marital Status Creditor Discrimination

Region	Economies (percent)
Europe & Eurasia	Serbia (83), Belarus (72), Macedonia (64)
Asia	Sri Lanka (83), China (76), Thailand (75)
Latin America & the Caribbean	Jamaica (78), Brazil (65), Costa Rica (60)
Sub-Saharan Africa	Namibia (56), Kenya (52), Botswana (46)
Middle East	Lebanon (33), Palestine (21), Tunisia (21)
Afghanistan & Pakistan	Afghanistan (4), Pakistan (3)

Source: World Bank Women, Business, and the Law 2016 Report, World Bank Global Financial Inclusion

Alternatively, the laws in Mongolia, South Africa, Bosnia and Herzegovina, Mexico, Peru, and the Philippines prohibit both gender and marital status discrimination with varied results. Figure 3 graphically presents these six economies by comparing the discrimination policy with the percentages of male and female account holders from the *Global Financial Inclusion Index* 2014 Report. These results seem to indicate a correlation between gender and marital status discrimination laws in access to credit and a woman's ability to open a bank account. For example, in Mongolia, 93 percent of female respondents reported having an account at a financial institution, whereas 90 percent of male respondents reported having an account at a financial institution. In the Philippines, the difference was more significant as 34 percent of females and only 22 percent of males reported having an account at a financial institution.

Figure 3:



Source: World Bank *Women, Business, and the Law* 2016 Report, World Bank *Global Financial Inclusion Index* 2014 Report

Going to Court

The *Going to Court* indicators broadly examine women's access to justice by looking at the number of female justices (including chief justices) in constitutional courts, whether a woman's testimony is granted the same evidentiary weight in court as a man, and access to small claims courts. The report observed 153 economies where constitutional courts are present, of which, 122 have at least one female justice. Women are chief justices in 26 economies. Additionally, the development of small claims courts is more limited as 53 economies do not have a fast-track or small claims courts procedure, which are currently present in 46 percent of the economies in Sub-Saharan Africa. Comparatively, 90 percent of OECD high income economies have such court procedures.

However, many improvements were made in USAID assisted economies. For example, Tunisia enacted a new constitution establishing a court with jurisdiction to examine the constitutionality of laws, while Kazakhstan adopted a fast-track procedure for claims of a small value in its civil code. Macedonia, Mali, Montenegro, Mozambique, and Serbia now report a woman as chief justice, whereas previously they designated a male as chief justice in the 2014 report. Moreover, Ghana, Jamaica, Niger, Philippines, and Zambia listed a female as chief justice in both the 2014 and 2016 reports. These economies demonstrate significant improvements in a woman's access to justice.

Conclusion

Women continue to face many challenges and legal limitations in employment and entrepreneurship. The Women, Business, and the Law report identified gender based legal differences by focusing on laws that both directly differentiate by gender and indirectly affect a woman's ability to earn an income. While there has been some progress in regulations and female employment in high status positions, obstacles still remain impeding female advancement. As the world moves into the 21st century, these barriers will hopefully be eliminated.

Additional Information

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World Bank, Women, Business, and the Law: To access the entire WBL dataset or other World Bank publications, please visit the Economic and Social Database (ESDB) at https://eads.usaid.gov/esdb/.